

Office of the
Legislative Fiscal Analyst

FY 2002 Budget Recommendations

Joint Appropriations Subcommittee for
Natural Resources

School and Institutional Trust Lands Administration
All Programs

Contents:

- 1.0 Summary
- 2.0 Issues
- 3.0 Programs
- 4.0 Additional Information

This Page Intentionally Left Blank

1.0 Summary: School and Institutional Trust Lands Administration (SITLA)

The state is divided into townships that are six miles square. Each of these township squares is divided into 36 sections, each being one mile square. Under the terms of the Enabling Act, as part of Congress' granting Utah statehood, the federal government awarded sections 2, 16, 32, and 36 in each thirty-six section township of Utah for the support of the common schools. The state was also given 1.6 million acres to fund higher and special education needs within the state. It is important to understand that these lands are not like other lands owned by the state but are granted to the state in trust for the benefit of the various beneficiaries (primarily public education). An opinion by the Attorney General states, "Trust resources, even those with marginal revenue potential, may not be administered to benefit public purposes for which there is no compensation to the trust and where the trust resource may be depleted...The interest of the school and institutional trust beneficiary is paramount and must always prevail over any conflicting public use or purpose."

SITLA was established under UCA 53C-1-201 as a quasi-governmental independent state agency to manage all school and institutional trust lands and associated assets. A seven-member Board of Trustees establishes the agency's policies.

Funding for SITLA operations is provided through the Land Grant Management Fund. The fund consists of:

- All revenues derived from trust lands except sales of lands. (Revenue from land sales goes directly to the Permanent State School Fund.)
- Interest.
- Revenues from other activities of the Administration.

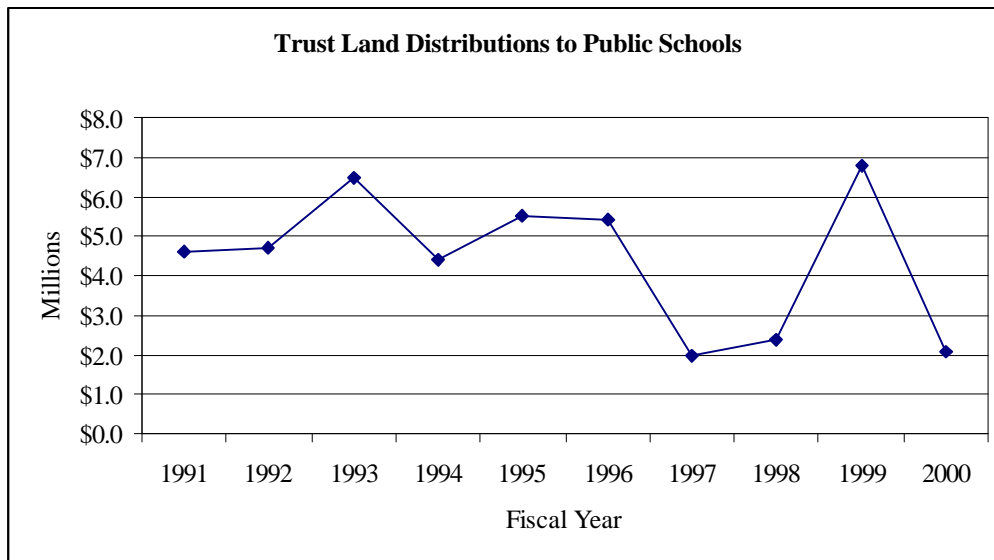
The Director may expend monies from the fund in accordance with the approved budget for the support of SITLA, after which all the excess is to be distributed among the beneficiaries.

In 1999 SITLA traded 377,000 acres of trust lands located within national parks and forests for \$50 million cash, \$13 million in future coal revenue, coal and coalbed methane, and 139,000 acres of land or surface/mineral rights with readily developable commercial and mineral value. While the trade decreased federal mineral lease revenues to other state agencies (such as the Utah Geological Survey), it increased revenues for the Permanent School Fund.

In 2000 the State of Utah and the Bureau of Land Management (BLM) agreed on an exchange of land in the West Desert. The proposal passed Congress and was signed by the President in October. Currently appraisals are being done in an attempt to achieve equal value. SITLA would trade 106,000 acres in 175 scattered parcels for 107,000 acres of BLM land in 17 consolidated blocks.

Timber sales on trust lands have grown from \$51,000 in 1995 to \$500,000 last year. A positive market has stimulated SITLA to continue to aggressively pursue timber revenues. In response to concerns from environmentalists and the State Forester, SITLA has begun administering timber sales through a contract with the State Forester.

The following charts show past distributions to public schools and future growth objectives:

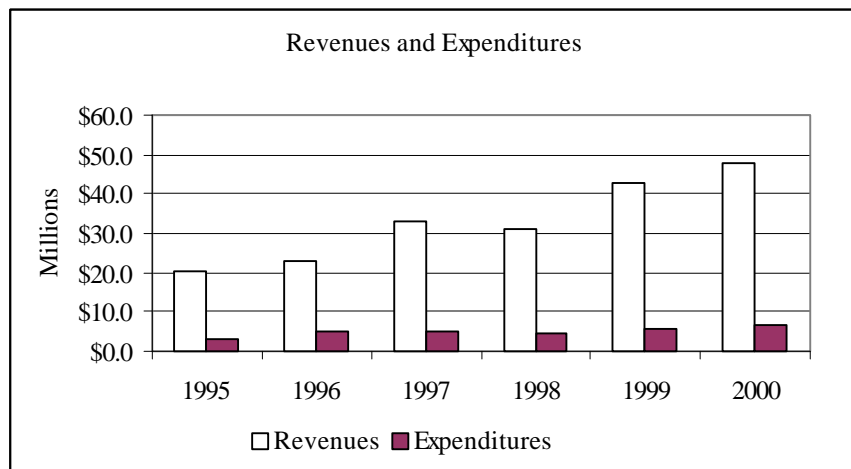


Between FY 1991 and 1996, distributions remained fairly constant at an average of \$5.1 million per year. In FY 1997 the State Treasurer adopted a long-term growth strategy. State law (51-7-12) allows him to invest up to 80 percent of the fund in equity securities. During FY 1997 he invested a higher proportion of the fund in equities, which provide long-term growth rather than short-term payouts. The spike in FY 1999 was a one-time windfall associated with the Escalante monument exchange.

The highest distribution occurred in FY 1999, at \$6.8 million. The total Public Education budget in FY 1999 was slightly over \$2 billion. Thus, even in their best year, trust lands contributed 0.34 percent (three-tenths of one percent) of the public education budget.

It may be worthwhile to consider the potential distributions in the next seven to eight years. The value of the fund is currently about \$377 million. SITLA's contribution to the trust fund in FY 2000 was \$25.8 million. Assuming the SITLA contribution increases by \$1 million per year, and assuming the Treasurer can earn eight to ten percent interest, the value of the Permanent Fund will be close to or over \$1 billion by the end of FY 2007. With a \$1 billion fund, the Treasurer could switch back to a lower growth / higher earnings portfolio. Interest earnings of 5 percent (assuming three to five percent held back for inflation protection) would distribute \$50 million per year to the schools.

SITLA has made great strides in its revenue collections in the past ten years, and appears poised to continue to do so in the next ten years. The following chart shows SITLA revenues and expenditures since FY 1995:



At the time of statehood, Congress designated twelve beneficiaries of Utah trust lands. The following chart shows the beneficiaries, original surface grant, surface land sold since statehood, and current surface holdings.

TRUST LAND HOLDINGS

<u>Beneficiary</u>	<u>Original Grant</u>	<u>Sold Since Statehood</u>	<u>Current Holding</u>
Public Schools	5,855,217	2,510,340	3,344,877
Reservoir Fund	500,000	452,824	47,176
Utah State University	200,000	171,841	28,159
University of Utah	156,080	139,444	16,636
School of Mines	100,000	92,451	7,549
Miners Hospital	100,000	92,788	7,212
Normal School	100,000	93,353	6,647
School for Deaf	100,000	94,066	5,934
Public Buildings	64,000	60,444	3,556
Utah State Hospital	100,000	96,803	3,197
School for Blind	100,000	99,344	656
Youth Development Center	100,000	99,981	19
Total	7,475,297	4,003,679	3,471,618

Over 96 percent of the current holding is for public schools.

Interest revenue from the Reservoir Fund is deposited in the Water Resources Construction Fund. The amount deposited in FY 2000 was \$209,500. In FY 1999 the amount was \$151,000.

	Analyst FY 2002 Base	Analyst FY 2002 Changes	Analyst FY 2002 Total
Financing			
Land Grant Mgt Fund	8,359,700	112,300	8,472,000
Total	\$8,359,700	\$112,300	\$8,472,000
Programs			
Board	155,800		155,800
Director	428,500		428,500
Administration	570,200	54,400	624,600
Accounting	295,100		295,100
Royalty	137,000		137,000
Minerals	1,193,900		1,193,900
Surface	1,147,500		1,147,500
Development - Operating	877,700	57,900	935,600
Legal/Contracts	392,700		392,700
Data Processing	618,900		618,900
Forestry and Grazing	542,400		542,400
Development - Capital	2,000,000		2,000,000
Total	\$8,359,700	\$112,300	\$8,472,000
FTE/Other			
Total FTE	58		58
Vehicles	13		13

2.0 Issues: School and Institutional Trust Lands Administration

2.1 Rental and Space Increases

Rental costs on the fifth floor of the agency's office at 675 E. 500 S. will increase by \$13,400 in FY 2002. In addition, the agency needs more space to house a growing number of records and four new FTEs authorized in FY 2001. The agency will relinquish its space on the third floor and rent new space on the sixth floor. There is no difference in price per square foot, but the number of square feet will increase from 2,253 to 5,759. The annual cost for the additional square footage will be \$41,000.

Land Grant Management \$54,000

2.2 West Desert Land Exchange Transaction Costs

The Analyst recommends funding increased costs in the Development Program incurred through the recent West Desert Land Exchange.

Land Grant Management (one-time) \$57,900

3.0 Programs: School and Institutional Trust Lands Administration

3.1 Administration

Recommendation

The Analyst recommends a budget of \$624,600.

	2000 Actual	2001 Estimated	2002 Analyst	Est/Analyst Difference
Financing				
Land Grant Mgt Fund	438,600	573,200	624,600	51,400
Total	<u>\$438,600</u>	<u>\$573,200</u>	<u>\$624,600</u>	<u>\$51,400</u>
Expenditures				
Personal Services	112,500	163,700	134,600	(29,100)
In-State Travel	200	3,100	3,100	
Out of State Travel	600	1,900	1,900	
Current Expense	318,500	379,000	459,500	80,500
DP Current Expense	3,500	22,200	22,200	
Capital Outlay	3,300	3,300	3,300	
Total	<u>\$438,600</u>	<u>\$573,200</u>	<u>\$624,600</u>	<u>\$51,400</u>
FTE/Other				
Total FTE	3	3	3	

*Building Block:
Rental and Space
Increases*

Rental costs on the fifth floor of the agency's office at 675 E. 500 S. will increase by \$13,400 in FY 2002. In addition, the agency needs more space to house a growing number of records and four new FTEs authorized in FY 2001. The agency will relinquish its space on the third floor and rent new space on the sixth floor. There is no difference in price per square foot, but the number of square feet will increase from 2,253 to 5,759. The annual cost for the additional square footage will be \$41,000.

Land Grant Management \$54,000

Purpose

This program includes the department administrative assistant and the office staff that provide support for the rest of the agency. Costs for rent, office supplies, and insurance are paid out of this program. Staff in this program also supports the Board of Trustees.

3.2 Board

Recommendation

The Analyst recommends a budget of \$155,800.

	2000 Actual	2001 Estimated	2002 Analyst	Est/Analyst Difference
Financing				
Land Grant Mgt Fund	37,400	156,700	155,800	(900)
Total	<u>\$37,400</u>	<u>\$156,700</u>	<u>\$155,800</u>	<u>(\$900)</u>
Expenditures				
Personal Services	28,700	112,500	36,600	(75,900)
In-State Travel	5,400	13,000	13,000	
Out of State Travel	600	2,800	2,800	
Current Expense	2,700	28,400	103,400	75,000
Total	<u>\$37,400</u>	<u>\$156,700</u>	<u>\$155,800</u>	<u>(\$900)</u>
FTE/Other				
Total FTE	1	1	1	

Purpose

The seven-member Board of Trustees is created in Utah Code 53C-1-202. Their purpose as stated in section 53C-1-204 of the code is to "...establish policies for the management of the School and Institutional Trust Lands Administration."

Utah law requires the policies to:

- be consistent with the Utah Enabling Act, the Utah Constitution, and state law;
- reflect undivided loyalty to the beneficiaries consistent with fiduciary duties;
- require the return of not less than fair market value for the use, sale, or exchange of school and institutional trust assets;
- seek to optimize trust land revenues and increase the value of trust land holdings consistent with the balancing of short and long-term interests, so that long-term benefits are not lost in an effort to maximize short-term gains;
- maintain the integrity of the trust and prevent the misapplication of its lands and its revenues; and
- have regard for and seek General Fund appropriation compensation for the general public's use of natural and cultural resources consistent with the duties of the administration as trustee for the beneficiaries.

The single largest expenditure in this program is the board's incentive award package for the agency's senior staff. In the past, the agency has requested building blocks to expand the award package. The Legislature has not approved an increase in recent years. Therefore the board has expanded the program within existing budgets. In FY 1998 the board authorized \$75,000 in awards. In FY 1999 the board authorized \$100,000. In FY 2000 the board authorized \$110,000 (out of a maximum of \$120,000.) The maximum for FY 2001 is \$120,000.

FY 2001 Incentive Objectives are:

- \$48,000 (40 percent of bonus) for reaching revenue goals. The target is \$29 million.
- \$72,000 (60 percent of bonus) for creating improved management practices, developing improved land management programs, improving development potential (e.g. acquiring water rights), and improving public relations.

3.3 Director

Recommendation

The Analyst recommends a budget of \$428,500. Personal Services comprise 53 percent of the recommended budget.

	2000 Actual	2001 Estimated	2002 Analyst	Est/Analyst Difference
Financing				
Land Grant Mgt Fund	406,500	434,300	428,500	(5,800)
Total	<u>\$406,500</u>	<u>\$434,300</u>	<u>\$428,500</u>	<u>(\$5,800)</u>
Expenditures				
Personal Services	311,800	259,600	228,300	(31,300)
In-State Travel	3,600	17,100	17,100	
Out of State Travel	19,600	12,300	12,300	
Current Expense	69,700	144,400	169,900	25,500
DP Current Expense		900	900	
Capital Outlay	1,800			
Total	<u>\$406,500</u>	<u>\$434,300</u>	<u>\$428,500</u>	<u>(\$5,800)</u>
FTE/Other				
Total FTE	3	4	3	(1)

Purpose

The Director of the School and Institutional Trust Lands Administration is required by statute to "...manage the School and Institutional Trust Lands Administration in fulfillment of its purpose." That purpose has been identified in UCA 53C-1-102 to "...manage the lands and revenues generated from the lands in the most prudent and profitable manner possible, and not for any purpose inconsistent with the best interest of the trust beneficiaries."

The office consists of the Director, the public affairs officer, and an office technician. Aside from personal services, the largest costs consist of consulting contracts. For example, this fiscal year the agency is using \$40,000 to contract with former Rep. Mel Brown for political relations. The agency requested a \$40,000 building block for FY 2002 to continue funding the contract; however, the Analyst notes that the agency was able to use existing funds in FY 2001 and lapsed over \$2 million from its appropriation in FY 2000. Therefore the Analyst does not recommend the building block.

Prior Building Block Report

In the 2000 General Session, the Legislature authorized \$185,100 for this program. Funding was included for:

- A Donations Coordinator: \$52,100
- Increased travel costs due to exchanges: \$6,900
- Increased current expense costs due to exchanges: \$83,100
- Project contract with college interns: \$43,000

3.4 Accounting

Recommendation

The Analyst recommends a budget of \$295,100. Personal Services comprise 89 percent of the recommended budget.

	2000 Actual	2001 Estimated	2002 Analyst	Est/Analyst Difference
Financing				
Land Grant Mgt Fund	280,800	301,300	295,100	(6,200)
Total	<u>\$280,800</u>	<u>\$301,300</u>	<u>\$295,100</u>	<u>(\$6,200)</u>
Expenditures				
Personal Services	261,000	276,500	263,900	(12,600)
In-State Travel		1,500	1,500	
Out of State Travel	300	900	900	
Current Expense	12,100	17,000	23,400	6,400
DP Current Expense	7,400	5,400	5,400	
Total	<u>\$280,800</u>	<u>\$301,300</u>	<u>\$295,100</u>	<u>(\$6,200)</u>
FTE/Other				
Total FTE	6	6	6	

Purpose

This program accounts for all revenue and expenditures of the agency from trust lands. It is responsible for developing and coordinating the budget and the review process before the Board of Trustees and other committees. Additional responsibilities include setting up, creating and maintaining financial data, payroll, coordinating investments with the State Treasurer, and managing the business system for the agency.

3.5 Auditing

Recommendation

The Analyst recommends a budget of \$137,000. Personal Services comprise 90 percent of the recommended budget.

	2000 Actual	2001 Estimated	2002 Analyst	Est/Analyst Difference
Financing				
Land Grant Mgt Fund	121,400	139,900	137,000	(2,900)
Total	<u>\$121,400</u>	<u>\$139,900</u>	<u>\$137,000</u>	<u>(\$2,900)</u>
Expenditures				
Personal Services	114,200	126,100	123,300	(2,800)
In-State Travel	100	1,200	1,200	
Out of State Travel	4,000	5,300	5,300	
Current Expense	2,400	6,400	6,300	(100)
DP Current Expense	700	900	900	
Total	<u>\$121,400</u>	<u>\$139,900</u>	<u>\$137,000</u>	<u>(\$2,900)</u>
FTE/Other				
Total FTE	2	2	2	

Purpose

This program consists of two auditors who ensure compliance with lease terms, contracts, rules, and statutes. As inconsistencies are found, the program issues assessments, recommends solutions to the Director and board, and works with the agency attorneys in collection of the assessments.

3.6 Minerals

Recommendation

The Analyst recommends a budget of \$1,193,900. Of the Current Expenses, approximately \$615,000 will be used for professional contracts to complete analyses and inventories of trust lands, as well as examine how to place lands acquired in the Monument exchange into production. Some services will be completed by MOU with Utah Geological Survey and Division of Oil, Gas and Mining.

	2000 Actual	2001 Estimated	2002 Analyst	Est/Analyst Difference
Financing				
Land Grant Mgt Fund	589,300	1,206,300	1,193,900	(12,400)
Total	<u>\$589,300</u>	<u>\$1,206,300</u>	<u>\$1,193,900</u>	<u>(\$12,400)</u>
Expenditures				
Personal Services	370,900	526,600	514,200	(12,400)
In-State Travel	6,200	9,000	9,000	
Out of State Travel	2,200	7,700	7,700	
Current Expense	207,300	659,400	659,400	
DP Current Expense	2,700	3,600	3,600	
Total	<u>\$589,300</u>	<u>\$1,206,300</u>	<u>\$1,193,900</u>	<u>(\$12,400)</u>
FTE/Other				
Total FTE	7	8	8	

Purpose

This program manages and administers approximately 4.6 million acres of subsurface mineral rights held in trust lands. Mineral assets must be managed under strict fiduciary guidelines with focus on generating revenue today and protecting long term assets for the future. The program engages in marketing its mineral assets, enforcing existing contractual rights, leasing, and attracting industry to trust lands for exploration and development. This program generates approximately 55 percent of the non-interest revenue for the trust.

Prior Building Block Report

In the 2000 General Session the Legislature authorized FY 2001 funds of \$555,000 for the professional and technical contracts mentioned at the top of this page.

The Legislature also authorized an FY 2001 building block of \$79,500 for a Minerals Specialist (1 FTE). The position has been filled.

3.7 Surface

Recommendation

The Analyst recommends a budget of \$1,147,500. Personal Services comprise 58 percent of the recommended budget.

	2000	2001	2002	Est/Analyst
Financing	Actual	Estimated	Analyst	Difference
Land Grant Mgt Fund	905,000	1,163,000	1,147,500	(15,500)
Total	\$905,000	\$1,163,000	\$1,147,500	(\$15,500)
Expenditures				
Personal Services	672,300	663,200	665,200	2,000
In-State Travel	15,900	21,300	21,300	
Out of State Travel	5,200	7,100	7,100	
Current Expense	200,500	461,700	444,200	(17,500)
DP Current Expense	8,700	3,400	3,400	
Capital Outlay	2,400	6,300	6,300	
Total	\$905,000	\$1,163,000	\$1,147,500	(\$15,500)
FTE/Other				
Total FTE	13	13	13	

Purpose

This program administers the surface uses of the trust lands. Surface activities include leasing for such uses as telecommunications sites, industrial and commercial enterprises and residential purposes, as well as easements, permits, rights-of-way, and sales.

Previous Building Block Report

The Legislature authorized \$281,300 for FY 2001 to fund the agency's growing sales and exchange program. The appropriation covers costs for brokerage fees, appraisal fees, and other current expenses necessary to effectively market and execute the program.

3.8 Grazing and Forestry

Recommendation

The Analyst recommends a budget of \$542,400. Personal Services comprise 24 percent of the recommended budget. Approximately \$350,000 will be used to contract with the Division of Forestry, Fire and State Lands for improved timber harvesting practices.

	2000	2001	2002	Est/Analyst
Financing	Actual	Estimated	Analyst	Difference
Land Grant Mgt Fund	296,800	545,500	542,400	(3,100)
Total	\$296,800	\$545,500	\$542,400	(\$3,100)
Expenditures				
Personal Services	141,700	135,700	132,500	(3,200)
In-State Travel	4,900	13,400	13,400	
Out of State Travel	400	1,000	1,000	
Current Expense	146,700	394,700	394,800	100
DP Current Expense	9,000	700	700	
Capital Outlay	(5,900)			
Total	\$296,800	\$545,500	\$542,400	(\$3,100)
FTE/Other				
Total FTE	3	3	3	

Purpose

This program administers the renewable resources of approximately 3.5 million acres of trust land. Activities include issuing permits for grazing, harvesting small forest products, holding timber sales, and special use leases for agricultural products. This need is met by staff and contract labor who receive and process applications, inventory vegetation production for grazing, and inventory and mark timber for sales.

3.9 Development (Operating)

Recommendation

The Analyst recommends a budget of \$935,600. Personal Services comprise 50 percent of the recommended budget.

	2000 Actual	2001 Estimated	2002 Analyst	Est/Analyst Difference
Financing				
Land Grant Mgt Fund	559,300	888,800	935,600	46,800
Total	<u>\$559,300</u>	<u>\$888,800</u>	<u>\$935,600</u>	<u>\$46,800</u>
Expenditures				
Personal Services	429,000	483,100	472,100	(11,000)
In-State Travel	16,300	12,400	12,400	
Out of State Travel	1,600	2,600	2,600	
Current Expense	104,800	389,100	446,900	57,800
DP Current Expense	4,100	1,600	1,600	
Capital Outlay	3,500			
Total	<u>\$559,300</u>	<u>\$888,800</u>	<u>\$935,600</u>	<u>\$46,800</u>
FTE/Other				
Total FTE	9	9	9	

*Building Block: West
Desert Land
Exchange
Transaction Costs*

The Analyst recommends funding increased costs in the Development Program incurred through the recent West Desert Land Exchange.

Land Grant Management (one-time) \$57,900

Purpose

The objective of this program is to identify and facilitate real estate development opportunities on trust land parcels. Development activities add value to the lands, maximizing the trust assets. The agency found that by developing land before sale it was able to significantly increase revenue to the beneficiaries.

The budget reflected here represents the cost of operating the Development program.

Previous Building Block Report

The 2000 Legislature authorized \$182,100 to create three new positions: assistant director, Salt Lake City realty specialist, and St. George realty specialist.

3.10 Development (Capital)

Recommendation

The Analyst recommends a budget of \$2,000,000. There are no personnel costs in this program.

	2000	2001	2002	Est/Analyst
Financing	Actual	Estimated	Analyst	Difference
Land Grant Mgt Fund	(62,100)	2,000,000	2,000,000	
Total	(\$62,100)	\$2,000,000	\$2,000,000	\$0
Expenditures				
Current Expense	(295,400)			
Capital Outlay	233,300	2,000,000	2,000,000	
Total	(\$62,100)	\$2,000,000	\$2,000,000	\$0
FTE/Other				

Purpose

The objective of this program is to identify and facilitate real estate development opportunities on trust land parcels. Development activities add value to the lands, maximizing the trust assets. The agency found that by developing land before sale it was able to significantly increase revenue to the beneficiaries.

The budget reflected here represents the capital costs in the Development program.

3.11 Legal

Recommendation

The Analyst recommends a budget of \$392,700. Personal Services comprise 76 percent of the recommended budget.

	2000 Actual	Estimated	2002	Est/Analyst Difference
Total	337,500	399,900		(7,200)
		<u>\$399,900</u>	<u>\$392,700</u>	
Expenditures				
Personal Services		304,000	296,800	
In-State Travel	4,500		4,200	
Out of State Travel		5,300	5,300	
	32,200	84,800		
DP Current Expense	1,600		1,600	
Total		<u>\$399,900</u>	<u>\$392,700</u>	
FTE/Other				
Total FTE		4	4	

Purpose

This program defends and prosecutes lawsuits and pursues administrative adjudication involving the agency, drafts and/or reviews regulations, and provides general legal advice to the agency. Although statute requires the agency to use representation from the Attorney General's office, the agency maintains a separate legal staff because of occasional conflicts of interest that arise with the Attorney General's office.

3.12 Data Processing

Recommendation

The Analyst recommends a budget of \$618,900. Personal Services comprise 66 percent of the recommended budget. Aside from Personal Services, most of the money in this program is spent on equipment and supplies.

	2000 Actual	Estimated	2002	Est/Analyst Difference
Total	873,000	628,800		(9,900)
		<u>\$628,800</u>	<u>\$618,900</u>	
Expenditures				
Personal Services		417,200	407,200	
In-State Travel	1,100		2,000	
Out of State Travel		8,500	8,500	
	113,100	20,200		100
DP Current Expense		125,900	125,900	
	197,000	55,000		
Other Charges/Pass Thru	13,300			
	<u>\$873,000</u>	<u>\$628,800</u>		<u>(\$9,900)</u>
FTE/Other				
	6	6		

Purpose

This program is a support function. The agency depends heavily on the use of data processing to support its ability to maximize revenues. The program operates the agency's fiscal, budget, and Geographic Information System software.

Prior Building Block Report

Last Session, the Legislature authorized an additional \$20,000 for additional data processing equipment.

4.0 Additional Information: School and Institutional Trust Lands Administration**Consolidated Balance Sheet as of June 30, 2000 and June 30, 1999**

Assets	FY 2000	FY 1999
Cash	4,215,075	
LGM Fund		1,732,324
	11,347,633	24,775,980
	342,504,813	291,761,855
	3,565,098	
Land (booked at \$1 per acre)		3,358,417
Purchased Land (at Cost)		1,095,003
Donated Land		11
Water Rights		162,810
Equipment		682,509
Unexpended Appropriations		
Capitalized Improvements	4,603,342	
Royalty and Interest Receivable	<u>5,599,912</u>	
	<u>377,459,645</u>	<u>331,302,741</u>
Vouchers Payable	6,083,667	
Total Suspense Fund	2,952,591	
Funds Held for Distribution or Transfer	5,576,542	
Total Liabilities	14,612,800	
Retained Earnings	11,804,396	
Fund Balances		
Beginning Fund Balance		206,262,469
Current Year Increases*		117,003,654
Total Fund Balances		323,266,123
Total Liabilities and Fund Balances	<u></u>	<u>332,904,420</u>
All investments are reflected at market value.		

Statement of Revenue, Expenses, and Distributions

Revenue	FY 2000	FY 1999
Investment Revenue		14,018,966
Mineral Revenue		12,884,181
Surface Revenue		2,148,219
Land Sales Revenue		12,687,259
Gain - Monument Exchange		
Grazing & Forestry Revenue	918,115	
Development Revenue	384,362	
Other Revenue	56,605	
Total Revenue	47,697,650	
Expenditures for Operations		
Board		211,290
Director		325,587
Administration		438,249
Accounting		239,611
Royalty		124,446
Minerals		452,538
Surface		814,280
Grazing & Forestry		182,641
Development		413,107
Legal		346,121
Data Processing		626,122
Total Operating Expenditures		4,173,992
Expenditures for Capital Projects		
	1,784,391	1,426,635
		27,509
Total Capital Expenditures		1,454,144
Total Expenditures		5,628,136
Net Revenue		99,752,366
Distributions and Transfers		
	(25,805,351)	(93,573,465)
	2,107,695	3,514,329
	(3,804,942)	(7,888,776)
	(5,754,641)	
Other Distributions		
Balance to Distribute or Transfer	0	

4.1 Funding History

	1998	1999	2000	2001	2002
Financing	Actual	Actual	Actual	Estimated	Analyst
Land Grant Mgt Fund	8,263,200	7,360,500	4,783,500	8,437,700	8,472,000
Lapsing Balance	(3,494,900)	(1,732,400)			
Total	\$4,768,300	\$5,628,100	\$4,783,500	\$8,437,700	\$8,472,000
Programs					
Board	27,600	211,300	37,400	156,700	155,800
Director	388,400	325,600	406,500	434,300	428,500
Administration	449,800	438,200	438,600	573,200	624,600
Accounting	158,400	239,600	280,800	301,300	295,100
Royalty	98,600	124,400	121,400	139,900	137,000
Minerals	413,400	452,500	589,300	1,206,300	1,193,900
Surface	698,000	814,300	905,000	1,163,000	1,147,500
Development - Operating	392,900	413,100	559,300	888,800	935,600
Inholdings	227,100	27,500			
Legal/Contracts	284,700	346,100	337,500	399,900	392,700
Data Processing	567,000	626,300	873,000	628,800	618,900
Forestry and Grazing	151,100	182,600	296,800	545,500	542,400
Development - Capital	586,800	1,426,600	(62,100)	2,000,000	2,000,000
Computer Project	324,500				
Total	\$4,768,300	\$5,628,100	\$4,783,500	\$8,437,700	\$8,472,000
Expenditures					
Personal Services	2,352,900	2,933,600	3,115,200	3,468,200	3,274,700
In-State Travel	97,800	97,400	58,200	98,200	98,200
Out of State Travel		55,600	53,600	55,400	55,400
Current Expense	1,577,900	972,300	914,600	2,585,100	2,812,900
DP Current Expense	195,300	179,800	193,200	166,200	166,200
DP Capital Outlay	340,300	99,000	197,000	55,000	55,000
Capital Outlay	204,100	1,290,400	238,400	2,009,600	2,009,600
Other Charges/Pass Thru			13,300		
Total	\$4,768,300	\$5,628,100	\$4,783,500	\$8,437,700	\$8,472,000
FTE/Other					
Total FTE	54	52	55	58	58